

# **EXHIBIT 4**



**CTI ADMINISTRATORS, INC.**

**Expert Report of Donald R. Brandt**  
**CTI Administrators, Inc.**

**In the Matter of:**

***Sullivan, et al. v. Saint-Gobain Performance  
Plastics Corporation***

**Civil Action No. 5:16-cv-125  
(District of Vermont)**

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## **I. Analysis Requested**

CTIA has been retained by Langrock, Sperry & Wool, LLP and Davis & Whitlock, P.C. (Langrock-Davis) on behalf of the Plaintiffs in the case of *Sullivan, et al. v. Saint-Gobain Plastics Corp.*, filed in the U.S. District Court for the District of Vermont, Case No. 5:16-cv-125. CTIA was requested to determine the cost, on a per Participant basis, for the first year of a medical monitoring program designed by Alan Ducatman, M.D., for a class of residents of Bennington and North Bennington, Vermont, who have been exposed to perfluorooctanoic acid (PFOA) via contaminated drinking water wells (Bennington Medical Monitoring Program or Program). According to Dr. Ducatman, this exposed population has an increased risk of developing certain adverse health conditions and illnesses as a result of this exposure, necessitating this medical monitoring program designed to detect these adverse health effects as early as possible in order to improve Participant health outcomes.

Consistent with Dr. Ducatman's recommendation that a third-party administrator be utilized to assist in implementation and administration of the Bennington Medical Monitoring Program, and in order to accurately determine the requested per Participant cost, CTIA has included its costs as a Third-Party Administrator of the Bennington Medical Monitoring Program in the Program pricing. Some of these costs are referenced in this report, and a full itemization of

the Third-Party Administration services CTIA will provide to the Bennington Medical Monitoring Program is attached as Exhibit A to this report.

## **II. Qualifications**

I am the Founder and President of CTI Administrators, Inc. (CTIA) and Claim Technologies Incorporated (CTI), both of which were founded in 1990. Based in Des Moines, Iowa, CTIA has focused its practice for the past 26 years on meeting unique and/or specialized claims administration needs. We have proven expertise and a team of specialized professionals to meet the challenges of our clients' claims administration and adjudication needs. CTIA has state-of-the-art claim processing hardware, software systems, and experienced adjudicators for the review of claims. These resources currently handle large volumes of claims and are readily expandable to accommodate the requirements of the Bennington Medical Monitoring Program – a critical factor given the need for flexibility in managing the claims administration workflows that are anticipated. We also have the capability to develop and deliver direct mailings for the Program Participants in a cost-effective and timely manner.

Our sister company, CTI, works with sponsors of self-funded health insurance plans in order to help reduce expense and improve service through audit and control of their third-party claim administration. CTI provides claims administration auditing and consulting services for more than 250 large employers

across the U.S. and will provide audit and control services as they may be required. We value our long-term relationships with self-funded plan sponsors and currently serve 15 state governments, more than 60 county and city governments, the United States Postal Service, the Federal Reserve System, and leading companies such as Ingersoll Rand, Tyson Foods and Anheuser-Busch. In the past three years alone, CTI has audited more than \$120 billion in claims on behalf of our clients.

Given this experience and expertise, CTIA (and CTI) are thoroughly familiar with “fee-for-service” pricing of medical procedures and we have substantial experience in negotiating contracts with providers to deliver a cost-effective testing protocol for the Program. As part of our audit services, we are also familiar with Medicare fee-for-service pricing as well as pricing protocols for almost all national Preferred Provider Organizations. CTIA is also experienced in serving as a Third-Party Administrator (TPA) for medical testing and/or medical monitoring programs established as a result of litigation involving toxic chemical exposure, including the following:

- *Tolbert et al. v. Monsanto Company, et al.*, No. 2:01-cv-1407 (N.D. Al.)

CTIA provided TPA services relating to the administration of testing and medical benefits provided by the West Anniston Medical Clinic in Anniston, Alabama, a clinic which provided certain free medical services to plaintiffs exposed to PCBs. These TPA services included communication with Participants,

enrollment of Participants, financial services, claims processing, customer service, consulting, and engagement with providers. In addition to providing these services, CTIA was engaged to implement and administer a “retail” model for the provision of these testing and medical services, which replaced a more costly “wholesale” model previously utilized. CTIA finished its provision of TPA services in the *Tolbert* matter in January of 2017.

- *Perrine et al. v. E.I. DuPont De Nemours & Company, et al.*, (No. 04-C-296-2) - Circuit Court of Harrison County, West Va.)

CTIA also currently provides TPA services for the medical monitoring program established for residents of Spelter, West Virginia and surrounding areas who had been exposed to various heavy metals as a result of smelting operations. CTIA, among other functions, negotiated and developed fees for services, arranged for class members to be tested, created and maintains a database, communicates with class members, and processes claims for services performed pursuant to the program.<sup>1</sup>

My resume and a CTI Corporate Profile are attached to this report as Exhibit B.

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<sup>1</sup> The Expert Report of Edgar C. Gentle III, Esq., also discusses the various services and benefits CTIA provides as a third-party administrator of medical monitoring programs, and the services and benefits we have provided in the *Tolbert* and *Perrine* cases specifically.

### **III. Previous Testimony and Statement of Compensation**

I have not offered expert testimony either at trial or by deposition during the previous four years. My fee for the provision of expert witness services in this matter is \$250 per hour, which includes all time spent providing these services, including deposition and trial testimony.

### **IV. Materials Reviewed and Assumptions**

In determining the first year per Participant cost of the Bennington Medical Monitoring Program, CTIA has relied generally on its professional experience and expertise, as well as on our prior experience in the administration of the *Perrine* medical monitoring program. Additionally, we have reviewed the following materials:

- Third Amended Complaint
- Merits Expert Report of Alan Ducatman, M.D.
- Class Certification Expert Report of Alan Ducatman, M.D.
- Class Certification Expert Statement of Robert E. Unsworth
- Expert Report of Edgar C. Gentle, III, Esq.
- Vermont Dept. of Health Results of Blood Testing and Exposure Assessment (Sept. 2017) and Demographic Breakdown Information re: Participants
- State of Vermont PFOA Well Testing Summary
- State of Vermont Area of Interest Map



- CDC/ATSDR Overview of PFAS and Guidance for Clinicians Responding to Patient Exposure Concerns (Revised June 7, 2017)
- C-8 (PFOA) Medical Monitoring Program Current Procedural Technology (CPT) Program Coding

We have also reviewed and relied on the specifications and components of the Bennington Medical Monitoring Program as set out in Dr. Ducatman's expert report(s) and provided by Langrock-Davis. Specific Program information, as well as assumptions, pertinent to our pricing determination is contained in the First Year Administration and Claims Budget attached as Exhibit C, and also includes the following:

- Medical monitoring services are assumed to be provided by a limited number of providers/clinics/hospitals (Providers) in the geographic area within several hundred miles of Bennington, Vermont. Based on prior experience and our understanding of the Bennington area, we are assuming that the number of Providers offering the consultations, blood, and urine tests is in the range of 3 – 5 and would include a national company such as LabCorp or Lab One for laboratory services.<sup>2</sup>

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<sup>2</sup> For individuals who previously resided in the Zone of Contamination in Bennington and subsequently moved away, but can still demonstrate eligibility for the Medical Monitoring Program, monitoring services can be obtained near their current place of residences using the same applicable CPT codes discussed herein.

- For each year, Participants will be required to complete a diagnostic survey related to their individual health status and symptoms/risk factors of PFOA exposure in particular;

- Each year Participants will be clinically tested for the following diseases associated with PFOA exposure:

- Kidney cancer;
- Testicular cancer;
- Pregnancy related conditions (pregnancy-induced hypertension, thyroid disease during pregnancy, and shortened duration of breast-feeding);
- Thyroid disease (non-pregnancy);
- Liver function abnormalities and non-alcoholic fatty liver disease;
- Hyperlipidemia;
- Uric acid abnormalities and gout; and
- Ulcerative colitis.

- The frequency of each of these tests has been forecasted by CTIA to develop the number of expected claims over the first year of medical monitoring. The expected volume of claims is very low, averaging 3.2 claims per Participant per year.

- Provide appropriate consultation and referral to a Participant should:

- The survey response(s) indicate any of the aforementioned disease symptoms;
  - Any of the diagnostic tests be abnormal;
  - Any Participant be pregnant; or
  - Any pregnant Participant breastfeeding or planning to breastfeed.
- For the initial testing year and every other year, Participants will be required to receive a PFAS Blood Level Assessment;
  - A blood pressure cuff will be provided for Participants that have been pregnant for more than 20 weeks; and
  - We assumed total enrollment in the Program would be 1,000 Participants, and that the demographic make-up of this enrollment would be 87% adult and 13% children. The 1,000 Participant figure is based on our review of State of Vermont well testing results showing approximately 280 wells contaminated with levels of PFOA above state standards and Plaintiffs' expert Robert Unsworth's finding that approximately 3.88 persons live in each household in the area of interest.<sup>3</sup> The demographic delineation was based on demographic data reported by the Vermont Department of Health for individuals who had their blood tested for PFOA, and it is reasonable to assume that the demographics of the individuals who had their

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<sup>3</sup> Mr. Unsworth found that there were approximately 2,150 residences in the Zone of Contamination, and 8,342 residents in this Zone. Unsworth Expert Statement, at 7.  $8,342/2,150 = 3.88$ .  $280 \times 3.88 = 1086.4$ . CTIA reserves the right, if necessary, to supplement this report once more definite enrollment data is available, such as after Class Certification.

blood tested will be representative of Program Participants. CTIA reserves the right, if necessary and requested, to supplement this report once more definite Participant data is available, such as after Class Certification.

- We assumed that we will be able to establish Electric Data Interchange (EDI) interface with all of the Providers and that all of the Providers will be able to submit their claims in standard formats and EDI protocols as set forth by the Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act.

- We understand that CTIA will not coordinate payment of benefits with Government and other insurance plans, including but not limited to, Medicare, Medicaid, and private health insurance plans (collectively “Third Party Sources”).

- We plan to use a series of system-generated letters to remind Participants to schedule their consultations or clinical tests and to remind them to reschedule if they have missed their consultations or tests. Based upon prior experience in the *Perrine* matter and otherwise, we estimate an average of 2.7 letters per Participant.

- We have also suggested the collection of the medical test results into a Central Repository in order to maintain test data for the Program. We propose to ask all laboratories to send test results directly to us as well as the Providers. Since

we are paying their claims, we will have the leverage to encourage them to provide the test results in a thorough and timely manner.

## **V. Methodology**

The methodology utilized by CTIA for determining the per Participant cost of the first year of the Bennington Medical Monitoring Program is substantially similar to the methodology used by us in preparing budgets for other programs for which CTIA has provided third-party administrative and consulting services. An estimate for the first year per Participant cost is provided in a spreadsheet along with the assumptions used to drive the logic in each cell, a copy of which is attached to this report as Exhibit C.

Cost categories of the spreadsheet follow:

- Fixed Costs;
- On-going Administration Costs; and
- Claim Costs.

Additionally, we received a quote from IoWeb Publishing, Inc. for the development, hosting, and maintenance of the Bennington Medical Monitoring Program website, which is attached to this report as Exhibit D. The determination of the cost of administrative services was based upon our prior experience, including, but not limited to, previous medical monitoring program administration in the *Perrrine* matter.

## **Classes of Participants used in Determining Claim Cost**

CTIA utilized three classes of Participants in order to determine claim cost:

- Adults (age 18 +):
- Children (under age 18):
- Pregnant Women (20+ weeks):

Exhibit E to this Report, *Claim Cost Estimates*, explains the methodology for how each of these three categories were calculated to determine a per Participant cost.

## **VI. Opinions**

As set out in this report and in the spreadsheet attached to this report as Exhibit C, it is my opinion, to a reasonable degree of certainty, that the total per Participant cost for the first year of the Bennington Medical Monitoring Program will be:

- |                               |            |
|-------------------------------|------------|
| • Adults (age 18 +):          | \$1,629.00 |
| • Children (under age 18):    | \$1,513.00 |
| • Pregnant Women (20+ weeks): | \$1,929.00 |

Additionally, the weighted average cost per Participant, as depicted on Exhibit C, is \$1,614.00.

Please be advised that all of my opinions are based on materials and information reviewed to date and are subject to change upon the review of additional information or materials.

This the 15<sup>th</sup> day of December, 2017.



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Donald R. Brandt  
CTI Administrators, Inc.

## **VII. Exhibits**

- A. CTIA's Third Party Administrator Services
- B. Resume of Donald R. Brandt and CTI Corporate Profile
- C. First Year Administration and Claim Budget
- D. Iowa Web Publishing Website Quote
- E. Claims Cost Estimate (By Participant Category)



## **Exhibit A: Third-Party Administration Services**

To facilitate implementation and administration of the Bennington Medical Monitoring Program, CTIA will provide the following Third-Party Administrative (TPA) Services to the Program, which include, but are not limited to, the following:

### **Administrative Services**

#### Enrollment Services:

- CTIA will interface with the Program on a consistent basis to accurately enroll each currently eligible Participant in the CTIA administration system.
- CTIA will update and maintain the enrollment records of eligible Participants in a timely manner.
- CTIA will prepare, print and distribute communication materials describing benefits of the Program for distribution to all Participants.
- CTIA will maintain enrollment records for a minimum period of seven years after the individual Participants are no longer covered, and online history for no less than two years. Such records will be maintained in accordance with prudent and generally accepted standards of health insurance record keeping.
- CTIA will conduct correspondence as is necessary for the day-to-day enrollment of Participants in the Program.

Claim Processing:

- CTIA will provide necessary facilities, personnel, databases, software, procedures, forms, and instructions for the prompt processing of any received claims.
- CTIA will certify the eligibility of Participants to receive benefits under the Program.
- CTIA will examine each received claim for benefits under the Plan and take necessary steps to validate, compute the amount payable (if any), and disburse payment or deny the claim in accordance with the administrative procedures set forth by the Program.
- CTIA will process received claims in accordance with procedures and fee schedules established by CTIA and the Program for the Providers.
- CTIA will provide each Provider submitting a claim with a written Explanation of Benefits (EOB) supporting payment or denial of such received claim.
- CTIA will take reasonable action to recoup any overpayments to Providers of covered service(s).
- CTIA will maintain received claim records for a minimum period of seven years and in accordance with state and federal law, and online claim payment history for no less than two years. Claim records will be maintained in accordance with prudent and generally accepted standards of insurance record keeping.

- CTI will maintain capabilities to receive and transmit claims in electronic formats to and from Providers, claim clearinghouses and other vendors in formats specified by HIPAA and HITECH regulations.

Customer Service:

- CTIA will conduct such correspondence with Participants, providers of covered services, and others as is necessary for the day-to-day administration of the Program.
- CTIA will provide toll-free phone service numbers for Participants and Providers at all times during CTIA's usual and customary hours of operation
- CTIA will, upon written request of a Participant, Provider or the Program, review any previously denied claim in accordance with the claims appeal procedure set forth by the Program.
- CTIA will refer to the Program for consideration and final decision any questionable claim(s) with a written analysis of the issues to assist the Program in reaching a final decision.

Financial Services:

- With the aid of Program, establish a "Claim Fund Account", in the name of CTIA, as Third Party Administrator (TPA) for Program. (Interest earned on this account, if any, will accrue to the Program. Banking expenses incurred on this account will be borne by the Program.)

- CTIA will pay Providers from the Claim Fund Account, after CTIA verification and approval.
- CTIA will provide the Program with financial reports on the Program, and other reports as mutually agreed.
- CTIA will maintain records clearly showing the deposits and withdrawals from the Claim Fund Account. Copies of these records will be provided to the Program upon their request.
- CTIA will maintain all books and records for a minimum period of seven years and in accordance with state and federal law, and online claim payment history for no less than two years. Books and records will be maintained in accordance with prudent standards of insurance record keeping.
- The Program will retain ownership of the Claim Fund Account, with CTIA being an authorized signatory for purposes of carrying out payments as specified by the Program.
- CTIA will produce checks once each week drawn on the Claim Fund Account to Providers as specified by the Program.
- The Claim Fund Account bank statements will be sent to the Program for reconciliation. CTIA will provide a Claim Fund Account check register to Program on a monthly basis. CTIA will maintain a complete record of all Claim Fund Account transactions for review by the Program if and when desired.

Reporting:

- CTIA will provide to Program the reports as mutually agreed. Claims data extracts will be provided at no cost to the Program.
- CTIA will assign an Account Manager who will manage Program's account, serve as the primary contact for Program and supervise the responsibilities of CTIA.
- CTIA will prepare and submit to Providers of service and the Internal Revenue Service form 1099-MISC for claim payments made in conjunction with the Program.

Other Service and Obligations:

- CTIA will provide Program access to data as appropriate and reasonable for the purpose of auditing Administrative Services. CTIA will provide data necessary to conduct audits on electronic media (diskettes, flash drives, etc.) at no additional charge to Program. The Program will have the right to select an independent audit firm to perform audits during the term of this agreement. Program must give forty-five (45) days advance written notice to CTIA to schedule an audit.
- CTIA will run back-up data of Program's data each day. Back-up data in electronic media will be stored in an off-site location, which is secure and environmentally suited for the storage of magnetic media.

- CTIA will maintain a fidelity bond in the amount as required by the State of Iowa covering CTIA and any of its agents or employees who may collect, disburse or otherwise handle or have possession of any funds of the Program or who may have authority to authorize or order disbursements of claims or other expenses on behalf of the Program.
- CTIA will maintain coverage for Errors and Omissions in the amount of no less than one million dollars (\$1,000,000).

### **Consulting Services**

#### Provider Negotiations:

- Providers. CTIA will assist the Program in selecting Providers.
- Provider Fees. CTIA will negotiate Provider fees on behalf of the Program.
- Laboratory Services. If doctors and clinics are not able to arrange for reasonably priced Program laboratory services, CTIA will facilitate the Program's engagement of a laboratory for this purpose.

#### Communications:

- CTIA will prepare communication materials, such as Program change notices, Newsletters, and other Participant communications. Use of the Program logos on communication materials and correspondence with Participants to be in conformance with established standards of the Program.

- CTIA will obtain approval of Program and Providers for communication materials to include identification and relationships of CTIA, Program, and Providers.

Consulting:

- CTIA will assist Program in obtaining actuarial opinions relating to plan design and fee schedules as necessary.
- CTIA will prepare and recommend claim administration procedures and practices for the administration of the Program and consult with Program on any changes thereto.
- Upon request of the Program, CTIA will provide Program consulting and analytical services.

Optional Services:

- CTIA will assist Program in developing an automated letter writing system to remind Participants of their need to schedule their tests.
- CTIA will collect all test results and maintain them in a Central Repository for Test Results. The Clinical Research Facility will have access to this data, but the source data will be securely maintained by CTIA on behalf of the Program. All test data will be de-identified.

## **Exhibit B**

### **DONALD R. BRANDT**

*Founder and President*

For 27 years Donald Brandt has served as Founder, President, and Principal at Claim Technologies Incorporated (CTI) – a firm specializing in the audit and control of self-funded health plan claim administration.

He has 46 years of industry experience and has held numerous leadership positions within the industry, including Founder and President of Benefit Administrators of America, Inc. (BAAI). The third-party administrator processed claims for more than 150 self-funded employee benefit plans. The company sold to Blue Cross and Blue Shield of Iowa in 1987.

Don also served as Senior Vice President for Kirke-Van Orsdel, Inc., Assistant Vice President for Marsh and McLennan, and Technical Associate at Computer Sciences Corporation, where he performed systems analysis, programming and design for the Joint Chiefs of Staff, Reconnaissance Information and Electronic Warfare Information Systems.

### **EDUCATION**

Graduate certificate in Computer Systems, American University

Bachelor's degree in Business, University of Maryland

Mercy-Harvard Executive Program in Health Policy and Management

### **PROFESSIONAL DESIGNATIONS**

FLMI Accredited, Life Office Management Association

Licensed Agent, Life, Accident and Health

Member, FLMI Society of Greater Des Moines

### **AFFILIATIONS AND COMMUNITY INVOLVEMENT**

Trustee, Boys & Girls Club of Central Iowa

Served, United States Navy

Past President, Warren County Conservation Board





## **CORPORATE PROFILE**

Claim Technologies Incorporated (CTI) was started in 1990 by Donald Brandt after founding and managing a large Third Party Administration (TPA) company in Iowa. The experience of running the TPA provided invaluable insight into the industry which helped to shape CTI and our audit products. CTI audit systems have been continuously enhanced to support our staff and provide state-of-the-art audit and compliance recommendations for our clients.

### **CTI Mission**

For more than 27 years it has been our mission to help self-funded plan sponsors reduce expense and improve service through audit and control of their third-party claim administration. Claim Technologies Incorporated (CTI) pioneered the use of continuous quality improvement techniques to better understand and improve administrator performance. Our time-tested approach and years of industry experience allow us to contribute additional context to existing and future challenges facing our clients and the claim administrators who serve them.

### **What Sets Us Apart**

In addition to measuring administration quality, CTI provides our clients and their administrators with specialized management tools and information to help improve that quality. Leveraged against millions of dollars of claims expense, the improvement consistently enables our clients to achieve higher returns on their audit investments.

In the hands of our seasoned industry professionals, our proprietary audit systems and administrative process controls assure the highest accuracy and usefulness of audit results. Our procedures guarantee both consistent auditor review and efficient project management. CTI's audit outcome is displayed in a way that is designed to highlight areas of concern with precision and clarity. As a result, rather than simply recognize errors, our audit findings enable our clients to more effectively identify costly process weaknesses, pinpoint their causes, and determine the remedial actions needed to correct them.

### **Who We Serve**

The effectiveness of CTI's approach has been proven in long-term relationships with countless self-funded plan sponsors across the United States. In addition, CTI has experience with legal assistance, Tort settlements, and claim administration including the Perrine DuPont Medical Monitoring Plan and the Tolbert Healthcare Plan. We serve 15 state governments, more than 60 county and city governments, the Federal Reserve System, the United States Postal Service and leading companies such as Ingersoll Rand, DuPont, Tyson Foods, and Anheuser-Busch. In the past three years alone, we have audited more than \$100 billion in claims on behalf of our clients.



Medical Monitoring Administration and Claims Budget \_\_\_\_\_

CATEGORIES		FIRST YEAR BUDGET ESTIMATES (cash flow)													TOTAL
Calculations	Expense Categories	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12		
1st Year Fixed Fees															
40 hours each Epidemiologist and one Clinician familiar with PFOA exposure spread over (2 months)	Initial Survey Creation	\$13,500	\$13,500											\$27,000	
Development of web site for Participants to enter survey (spread over 6 months)	Web site Development	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500							\$33,000	
24 hours of Initial Physician Training to Understand Symtoms/Risk Factors of PFOA Exposure and Required Testing Protocols	Physician Training	\$4,500												\$4,500	
On-going non-administration Fixed Fees															
24 hours each Epidemiologist and one Clinician familiar with sytoms and risk factors of PFOA exposure (spread over 2 months)	Annual Survey and Website Modifications										\$8,100	\$8,100		\$16,200	
160 hours of Data Analyst to review test results	Data Scrubbing and Analysis								\$16,000	\$16,000				\$32,000	
Hosting and ongoing Modifications to web site	Web site hosting and maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	
Data scrubbing and analysis by Epidemiologist/Clinician	Data Scrubbing and Analysis	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	
CTIA Administration Variable Fees															
# of active Participants x Monthly fee per Participant (includes integrated eligibility with claim system, incentive payments, provider claim payments, customer service, accounting, reporting, data repository and ongoing maintenance.	Monthly Service Fee	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$4,250	\$51,000	
(hourly rates x # active Participants x average number of calls) / # of calls per hour spread over 3 month:	Scheduling Appointments for Testing	\$4,800	\$4,800	\$4,800										\$14,400	
airfare & lodging for 2 meetings @\$1,600	Travel Expense		\$1,600							\$1,600				\$3,200	
Semi Annual mailing to all participants regarding annual monitoring	Communication Materials	\$8,000							\$8,000					\$16,000	
(# of active Participants x average number of letters per active Participant x fee per letter spread over 6 month:	Confirmation Letters re scheduling	\$945	\$945	\$945	\$945	\$945	\$945							\$5,670	
Postage for scheduling letters spread over 6 months	Postage	\$221	\$221	\$221	\$221	\$221	\$221							\$1,323	
number of Participants x fee per ID card spread over 3 months	Participant ID Cards	\$1,000	\$1,000	\$1,000										\$3,000	
# active Participants this round x Manual entry rate x percent needing manual entry spread over 3 months	Fee for Survey Form not processed on Web site	\$4,000	\$4,000	\$4,000										\$12,000	
miscellaneous consulting and ad hoc queries/reports	Consulting and ad hoc reporting	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	
Claim Cost Variable Fees															
	Biennial PFOA / PFAS Screening	\$166,667	\$166,667	\$166,667										\$500,000	
number of Participants x fee per survey spread over 3 months	Incentive Fee paid to Participants for completion of survey	\$16,667	\$16,667	\$16,667										\$50,000	
number of Participants x participation percentage x fee per blood test spread over 3 months	Incentive Fee paid to Participants for completion of blood test	\$16,667	\$16,667	\$16,667										\$50,000	
	Children (under age 18)	Children's Consultations & Survey Review	\$17,686	\$17,686	\$17,686									\$53,059	
		Children's Blood Draw	\$779	\$779	\$779									\$2,337	
		Children's Labs	\$10,051	\$10,051	\$10,051									\$30,152	
	Adults age 18 +	Adult's Consultations & Survey Review	\$118,362	\$118,362	\$118,362									\$355,087	
		Adult's Blood Draw and Handling	\$11,732	\$11,732	\$11,732									\$35,196	
		Adult's Labs	\$94,116	\$94,116	\$94,116									\$282,349	
	Pregnant	Pregnancy Lab Test, Consultations, and Monitoring	\$110	\$110	\$110									\$330	
Total		\$249,716	\$238,816	\$223,716	\$13,916	\$13,916	\$13,916	\$7,250	\$31,250	\$24,850	\$15,350	\$15,350	\$7,250	\$1,613,804	

ASSUMPTIONS					
Variable number of Participants	1,000	Percentage of Participants in Test battery A (Children under age 18) per VTDOH	13%	UCR Geographic multiplier	75th percentile fees
Monthly Administration Fee per Participant	\$4.25	Cost of Children's Consultations	\$408	0.899	\$454
Fee per letter sent to Participants	\$2.10	Cost of Children's Blood Draw	\$18	0.899	\$20
Postage per letter	\$0.49	Children's Lab Fees	\$232	0.899	\$258
Scheduling calls hourly rate	\$80.00	Percentage of Participants in Test battery B (Adults age 18+) Per VTDOH	87%		
Average Scheduling calls per hour	10.00	Cost of Adult's Consultations	\$408	0.899	\$454
		Cost of Adult's Blood Draw & Handling	\$40	0.899	\$45
Average number of scheduling calls per person	1.80	Cost of Adult's Labs	\$325	0.899	\$361
Cost of mailing newsletter to all participants	\$8,000	11 Pregnant Participants per Dr. Shepard	0.1%		
Fee per ID card	\$3.00	Cost of Consultations, Blood Pressure Monitor	\$300		
		Hourly rates for Epidemiologist	\$375		
Historical number of letters per active Participant	2.70	Hourly rates for Clinician familiar with PFOA exposure	\$300		
Fee to Develop Web site for recording Physician's Form per IOWEB quotation	\$33,000	Hourly rates for Data Analyst	\$200		
Monthly Fee to maintain Web site, hosting and ongoing modifications	\$1,000	PFOA/PFAS Biennial Testing Fee	\$500		
Percentage of manual entry of survey data	15%				
Fee for each manual entry of survey form	\$80.00				
Fee paid to Participants for completion of survey	\$50.00	Training fee hourly fee	\$300		
Fee paid to Participants for completion of blood tests	\$50.00				

1,000 Participants	Total cost per Participant (Average)	\$1,614
	Fixed Cost 1st year	\$136,700
	Fixed Cost 2nd year	\$72,200
	Annual Administration cost per Participant	\$119
	Annual Claim cost per Participant	\$1,359

Total Cost				
Only 1st year fixed	Every Year Fixed	Variable		
\$64,500	\$72,200	\$1,477,104	# children	# adults
\$1,613,804			130	870

Total Cost Children			Total Cost Adults		
Only 1st year fixed	Every Year Fixed	Variable	Only 1st year fixed	Every Year Fixed	Variable
\$64,500	\$9,386.00	\$178,966	\$64,500	\$62,814	\$1,298,138
Per Child Cost			Per Adult Cost		
\$64.5	\$72	\$1,377	\$64.50	\$72.20	\$1,492
\$1,513			\$1,629		

Additional Fee for Participants More than 20 Weeks Pregnant	\$300
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**Exhibit D**

**VERMONT MEDICAL MONITORING  
WEB SITE DEVELOPMENT PROPOSAL**



**December 12, 2017**

**PROJECT SUMMARY:** A web portal is required to receive and store survey and medical monitoring information from a class of individuals included in legal action. This web site will provide legal documents and collect and store information from participants, allowing them to track their information over time.

The data will be collected and stored in a database where participants can access their specific information using unique login credentials.

The information will be medically personal and must be secure via all current methods consistent with all certifications and encryption techniques possible.

**HOSTING ENVIRONMENT:** The IoWeb server environment is a fully certified HIPAA-compliant, secure infrastructure managed by a staffed network operations center 24/7.

**INFORMATION RETRIEVAL/STORAGE:** Information will be submitted via the claim participant via secure online forms and stored in a database separate from the web server itself offsite on equipment owned, maintained and controlled by Claim Technologies, Inc.

**PARTTICIPANT ACCESS:** Each participant will be able to access their personal information using login credentials they set-up. Capabilities to retrieve lost or forgotten credentials will be made available.

**SITE UPDATES:** Due to the elevated compliancy and security aspects, site updates will be handled manually by IoWeb Publishing, Inc. within 48 hours of receipt of information.

## **CONTENT:**

The home page will consist of high-level information regarding the legal action, any news that should be disseminated to the class participants as well as contact information for the participants to reach out for specific details.

The sections of the site are ...

- **Exposure Class Notice**
- **Online Eligibility/Registration**
  - Submission of eligible documents/authorized representative documents
  - Register for the program (if eligible)

This information will be included in the centralized database

- **Survey**
  - Information will be stored in the centralized database
- **Legal/Other Documents**
  - Eligibility/Registration Documents (multiple formats)
  - Information regarding MMP screening tests
- **Geographic Information**
  - Maps of the contaminated area
- **Frequently Asked Questions (FAQs)**
  - Details about litigation and eligibility
  - Administration
  - How to request more information
- **Contact Information**
  - Phone Number
  - Email Address
  - Secured Interactive Form

## **DESIGN**

The site will be aesthetically designed primarily with information dissemination and user-friendliness in mind. Graphics and imagery will be consistent with respect to the participant's need to submit and obtain information.

The site will be responsive to devices of all platforms and sizes without using any technologies that tie the end-user to a specific operations system, browsers or software installations. Most/all documents presented to the participant will be available both as a web-page, but also as a portable document (PDF).

## **COSTS**

### **Hosting/Maintenance:**

HIPAA compliant in a secure hosting facility, running current UNIX-based operating systems and Apache web server technologies. Network Operation Center available 24/7 to manage and maintain the infrastructure and keep software, including firewalls, current. All updates and maintenance to the DELIVERED site will be included in this fee.

**\$995.00/month**

### **Original Development:**

Setting up the web site, designing the page layouts, merging the information with the pages and deliver to the web site.

**85 hours**

Obtaining and installing the Let's Encrypt SSL certificate for the domain name, test

**3 hours**

Set-up of the database, both the local and remote locations. Set up the transmission mechanism between the data stores

**60 hours**

Create all interactive forms and login areas.

**12 hours**

Program the access methods to the appropriate data store to submit and retrieve participant information

**38 hours**

**TOTAL DEVELOPMENT: 198 hours x \$165/hour**

**\$32, 760.00**



**Additional fees/expenses:** In the event the client wished to provide and maintain the servers/hosting facility themselves. The monthly hosting/maintenance fees will NOT apply, however the original development of the site will increase by 20 hours (\$3,300.00) to allow for our engineers to connect with the server environment and fully understand the technology used, and what tools are available and/or need to be acquired to deliver web site.

Regular hosting/maintenance fees will not be payable, however all changes/updates to the delivered site will be charged at \$165/hour.

## **Exhibit E – Claim Cost Estimates By Participant Category**

CTIA prepared the following *Claim Cost Estimates* for Langrock-Davis in order to arrive at a per Participant cost for the first year of the Bennington Medical Monitoring Program.

### **Scope**

We defined the following three classes of Participants:

- Adults (age 18 +);
- Children (under age 18); and
- Pregnant Women (20+ weeks).

### **Methodology**

#### Physicians' Fee Reference as Source Documentation

CTIA used the *2011 through 2017 Physicians' Fee Reference*® (PFR), copyright © Yale Wasserman, DMD Medical Publishers Ltd., to source and establish all quoted fees and referenced fee schedules. This widely recognized, nationwide compendium of fees is based on public sources and independent research. Fee information quoted in the PFR comes primarily from the Centers for Medicare and Medicaid Services (CMS) Limited Data Set (LDS) Standard Analytical Files for fiscal year 2014, which is the most recent year available. All Current Procedural Terminology (CPT®) codes were sourced directly from the American Medical Association (AMA).

After deriving the appropriate source for the CPT codes needed to establish the fees quoted, CTIA then selected the 75<sup>th</sup> Percentile PFR Fee Information as a base.

#### Geographic Adjustment Factors

CTIA used a Geographic Adjustment Factor (multiplier) of **.899** to take labor markets, cost-of-living and cost-of-practice or entity operations locality into consideration when establishing fees. These national references are based on government economic data.

Using these benchmarks, we adjusted the 75<sup>th</sup> Percentile PFR Fee using the set geographic adjustment factor to true-up for both market and certain non-market conditions unique to medical services in and around Bennington, Vermont. The cost of providing medical care in a rural setting is significantly lower than in major metropolitan areas. Therefore, we selected the three digit **052** Zip Prefix from the Geographic Multiplier (Appendix A of PFR), which allowed us to adjust the fees specifically for the relative differences seen in medical practice costs in the Bennington area.

#### Six-Year Cost Trend Analysis

CTIA prepared a six-year cost trend analysis using the PFR from years 2011 through 2017. We provided this cost-trend analysis to Dr. Don Shepard for

informational purposes in forecasting the long-term costs associated with the Bennington Medical Monitoring Program.

Using our defined scope and methodology, we established the following cost estimates for the three classes of Participants.

<b>Classes of Participants</b>	<b>Fee at 75<sup>th</sup> Percentile multiplied by geographic multiplier (.899)</b>
Adults (age 18 +)	
Consultations	\$408
Blood Draw and Handling	\$40
Lab Tests	\$325
Children (under age 18)	
Consultations	\$408
Blood Draw	\$18
Lab Tests	\$232
Pregnant Women (20+ weeks)	\$300

These totals by class were used as assumptions in the first year budget forecast.

**Minors Under Age 18**

<b>Description</b>	<b>CPT Description</b>	<b>Type</b>	<b>CPT Code</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Provide each class member with an initial consultation with the Medical Monitoring Program (MMP) physician in order to explain fully the health risks of their PFOA exposure and to explain the intent and purpose of the MMP. (40 min) A blood drawing and blood handling office will need to be set up in Bennington for class members during the first three months of the MMP, and then yearly for two months in order to do the surveillance diagnostic tests.	Office consultations for a new or established patient, which requires these 3 key components: A detailed history; A detailed examination; and Medical decision making of low complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate severity. Typically, 40 minutes are spent face-to-face with the patient and/or family.	Physician	99243	\$258	\$258	\$284	\$284	\$284	\$290	\$307

**Minors Under Age 18**

<b>Description</b>	<b>CPT Description</b>	<b>Type</b>	<b>CPT Code</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Review and notify claimant of test results within the normal limits (letter to claimant)	Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: An expanded problem focused history; An expanded problem focused examination; Medical decision making of low complexity. Counseling and coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of low to moderate severity. Typically, 15 minutes are spent face-to-face with the patient and/or family.	Physician	99213	\$104	\$107	\$125	\$131	\$137	\$140	\$147
Venipuncture	Collection of venous blood by venipuncture	Physician	36415	\$20	\$20	\$20	\$21	\$21	\$20	\$20
Thyroid TSH	Thyroid stimulating hormone (TSH)	Lab	84443	\$105	\$105	\$108	\$112	\$115	\$118	\$118

**Minors Under Age 18**

Description	CPT Description	Type	CPT Code	2011	2012	2013	2014	2015	2016	2017
Liver Enzyme and Function testing to include: ALT, AST, GGT, direct bilirubin, and indirect bilirubin	Hepatic function panel This panel must include the following: albumin (82040) bilirubin, total (82247) Bilirubin, direct (82248) Phosphatase, alkaline (84075) Protein, total (84155) Transferase, alanine amino (ALT) (SGPT) (84460) Transferase, aspartate amino (AST) (SGOT) (84450)	Lab	80076	\$64	\$61	\$61	\$58	\$56	\$56	\$53
Fasting Total cholesterol	Cholesterol, serum or whole blood, total	Lab	82465	\$33	\$33	\$37	\$37	\$37	\$37	\$37
Fasting LDL cholesterol	Lipoprotein, direct measurement; LDL cholesterol	Lab	83721	\$60	\$57	\$57	\$46	\$46	\$49	\$50
<b>Totals</b>				<b>\$644</b>	<b>\$641</b>	<b>\$692</b>	<b>\$689</b>	<b>\$696</b>	<b>\$710</b>	<b>\$732</b>
<b>Percentage of change</b>					<b>-0.47%</b>	<b>7.37%</b>	<b>-0.44%</b>	<b>1.01%</b>	<b>1.97%</b>	<b>3.01%</b>

<b>Consultations</b>	<b>\$454</b>
<b>Blood Draw</b>	<b>\$20</b>
<b>Lab Fees</b>	<b>\$258</b>

**Adults Age 18 and Above**

<b>Description</b>	<b>CPT Description</b>	<b>Type</b>	<b>CPT Code</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Provide each class member with an initial consultation with the Medical Monitoring Program (MMP) physician in order to explain fully the health risks of their PFOA exposure and to explain the intent and purpose of the MMP. (40 min) A blood drawing and blood handling office will need to be set up in Bennington for class members during the first three months of the MMP, and then yearly for two months in order to do the surveillance diagnostic tests.	Office consultations for a new or established patient, which requires these 3 key components: A detailed history; A detailed examination; and Medical decision making of low complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate severity. Typically, 40 minutes are spent face-to-face with the patient and/or family.	Physician	99243	\$258	\$258	\$284	\$284	\$284	\$290	\$307



**Adults Age 18 and Above**

Description	CPT Description	Type	CPT Code	2011	2012	2013	2014	2015	2016	2017
Review and notify claimant of test results within the normal limits (letter to claimant)	Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: An expanded problem focused history; An expanded problem focused examination; Medical decision making of low complexity. Counseling and coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of low to moderate severity. Typically, 15 minutes are spent face-to-face with the patient and/or family.	Physician	99213	\$104	\$107	\$125	\$131	\$137	\$140	\$147
Venipuncture	Collection of venous blood by venipuncture	Physician	36415	\$20	\$20	\$20	\$21	\$21	\$20	\$20
Specimen handling	Handling and/or conveyance of specimen for transfer from the office to a laboratory	Physician	99000	\$27	\$27	\$27	\$27	\$26	\$25	\$25

**Adults Age 18 and Above**

Description	CPT Description	Type	CPT Code	2011	2012	2013	2014	2015	2016	2017
Other diagnostic tests: Urinalysis	Urinalysis, by dip stick or tablet reagent for bilirubin, glucose, hemoglobin, ketones, leukocytes, nitrite, pH, protein, specific gravity, urobilinogen, any number of these constituents; automated, with microscopy	Lab	81001	\$30	\$33	\$35	\$36	\$37	\$37	\$37
Thyroid TSH	Thyroid stimulating hormone (TSH)	Lab	84443	\$105	\$105	\$108	\$112	\$115	\$118	\$118
Liver Enzyme and Function testing to include: ALT, AST, GGT, direct bilirubin, and indirect bilirubin	Hepatic function panel This panel must include the following: albumin (82040) bilirubin, total (82247) Bilirubin, direct (82248) Phosphatase, alkaline (84075) Protein, total (84155) Transferase, alanine amino (ALT) (SGPT) (84460) Transferase, aspartate amino (AST) (SGOT) (84450)	Lab	80076	\$64	\$61	\$61	\$58	\$56	\$56	\$53
Creatinine	Creatinine; blood	Lab	82565	\$35	\$35	\$35	\$28	\$28	\$28	\$28
Fasting Total cholesterol	Cholesterol, serum or whole blood, total	Lab	82465	\$33	\$33	\$37	\$37	\$37	\$37	\$37
Fasting LDL cholesterol	Lipoprotein, direct measurement; LDL cholesterol	Lab	83721	\$60	\$57	\$57	\$46	\$46	\$49	\$50
Uric Acid	Uric Acid; blood	Lab	84550	\$38	\$35	\$35	\$35	\$37	\$37	\$38

Totals	\$774	\$771	\$824	\$815	\$824	\$837	\$860
Percentage of change		-0.39%	6.43%	-1.10%	1.09%	1.55%	2.67%
Consultations							\$454
Blood Draw & Handling							\$45
Lab Fees							\$361

**Pregnant**

<b>Description</b>	<b>CPT Description</b>	<b>Type</b>	<b>CPT Code</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Pregnancy-induced Hypertension Diagnostic Testing: Blood pressure cuff for personal in-home blood pressure monitoring for all program participants who are pregnant and of 20 weeks gestation or more. MMP Physician Consultation for each pregnant woman to review risks for PIH and instructions for Blood Pressure Cuff monitoring; breastfeeding; and TSH testing referral to claimant's OB. Letter to be sent to OB with copy to claimant.	Office consultations for a new or established patient, which requires these 3 key components: A detailed history; A detailed examination; and Medical decision making of low complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate severity. Typically, 40 minutes are spent face-to-face with the patient and/or family.	Physician	99243	\$210	\$210	\$231	\$231	\$231	\$231	\$240
Blood pressure cuff for personal in-home blood pressure monitoring for all class members who are pregnant and of 20 weeks gestation or more.	New automatic blood pressure monitoring device, including shipping to claimant's home	Equipment	DME	\$60	\$60	\$60	\$60	\$60	\$60	\$60

<b>Totals</b>	<b>\$270</b>	<b>\$270</b>	<b>\$291</b>	<b>\$291</b>	<b>\$291</b>	<b>\$291</b>	<b>\$300</b>
<b>Percentage of change</b>		<b>0.00%</b>	<b>7.22%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.00%</b>

**Biennial PFOA/PFAS Tests**

<b>Description</b>	<b>CPT Description</b>	<b>Type</b>	<b>CPT Code</b>	<b>2017</b>
PFAS Blood Level Assessment and Monitoring: Diagnostic Testing: A Perfluoroalkyl Substances blood panel	Organic acid; Perfluorobutanesulfonic Acid (as the linear isomer); Perfluoroheptanoic Acid (as the linear isomer); Perfluorohexanesulfonic Acid (as the linear isomer); Perfluorononanoic Acid (as the linear isomer); Perfluorooctanesulfonic Acid (as the linear isomer); Perfluorooctanoic Acid (as the linear isomer)	Specialty Lab	83921	\$500
			<b>Totals</b>	<b>\$500</b>